

state of Utah

DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

ROBERT L. MORGAN Executive Director LOWELL P. BRAXTON Division Director

Supervisor A

Inspection Report Minerals Regulatory Program

Report Date: October 29, 2004

Mine Name: D Tract Operator or Permittee Name: Wembco, Inc. Permittee Mailing Address: 20231 Orchard Str., Newport Beach, CA 92660		it number: S/ction Date: O	047/068 ctober 26, 2004	4
Inspector(s): Paul Baker	Weather: Mostly cloudy, 50's Inspection Start Time: About 1:00 PM Inspection End Time: About 2:30 PM			
Other Participants: Larry Allred	Site location/Area Inspected (i.e. Pit #): Entire area			
Permit Status: Active Current Acreages: Total Permitted (Bonded): 5	Surface Ownership: Fee Mineral Ownership: Fee Mineral Mined: Tar Sand			
Total Disturbed: 5 more or less		of Mine: Surfa		F. 6
Elements of Inspection 1. Permits, Revisions, Transfer, Bonds	Evaluated	N/A	Comment	Enforcement
2. Public Safety (open shafts, adits, trash,				
signs, highwalls)				
3. Protection of Drainages				
4. Explosives, magazines				
5. Deleterious Material		5 B		
6. Roads (maintenance, surfacing, dust control, safety)				
7. Concurrent Reclamation	\boxtimes			
8. Erosion Control				
9. Demolition				
10. Backfilling and Grading (trenches, pits,				
roads, highwalls, shafts, drill holes)				
11. Water Impoundments				
12. Soils				
13. Revegetation				
14. Air Quality				
15. Other				



Inspection Date: October 26, 2004; Report Date: November 2, 2004

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Purpose of Inspection:

The operator has been required by a Division Directive to do some reclamation work and to consolidate some of the disturbances. I wanted to meet with Mr. Allred and discuss the status of this work.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

The bond calculated by the Division was based on \$2500 per acre of disturbance. The operator submitted a cash bond of \$14500 which, at the rate of \$2500/acre, covers 5.8 acres.

A copy of the map I created in May 2003 is attached to this report. I do not believe the size of the disturbance has changed since I last used the GPS to map the area, but the uses may have changed to some degree. Areas clearly within the Division's regulatory jurisdiction are the mine pit area itself (4.38 acres), the mixing area (0.48 acres), and the reclaimable area (0.76 acres) for a total of 5.62 acres. This is less than the area that could be covered by the existing bond, but it is within the category of a large mine which requires submission of a Notice of Intention to Commence Large Mining Operations (see further discussion under "Concurrent Reclamation" below).

Within the rest of the area I mapped, the "processing" area (with the exception of the included mixing area) and the "recycling" area are now both being used exclusively for recycling asphalt. Even if the mine was not present, the operator could still recycle asphalt at this location.

7. Concurrent Reclamation

The operator was required to reclaim the "reclaimable area" as shown on the map, but this has not yet happened. Mr. Allred is willing to do this work and has purchased the seed, but there are negotiations for another operator to purchase the land. If another operator was to begin operations, chances are good he would expand the mine to the west into the "reclaimable area." Mr. Allred does not want to reclaim the area only to have it redisturbed. Although I do not know how serious these sale negotiations are or who the potential buyers are, I have confirmed that two entities have discussed purchasing the property.

Based on these concerns, Mr. Allred asked if the Division could delay the requirement for reclaiming the "reclaimable area" until about January 2005.

The photo attachment with this report shows conditions at the site.

Inspector's Signature

Date: November 2, 2004

PBB:jb

Enclosures: Photo attachment

c: Jim Barnes, WEMBCO; Larry Allred

 $O: \M047-Uintah\S0470068-Wembco\ inspections\ ins-10262004. doc$

ATTACHMENT

Photographs

S/047/068, D Tract, Wembco

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Photo 1. An area from which sand has been mined for addition to the asphalt.



Photo 2. A portion of the "reclaimable area." The area has been disturbed, but there has been no mining here.



Photo 3. The mine pit and some of the area to the north. Note the water in the pit. Overburden has been dumped in an area toward the north of the pit (to the left in this photo).

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Photo 4. Native asphalt from the mine.



Photo 5. The asphalt in this photo is being recycled and is not from the mine.

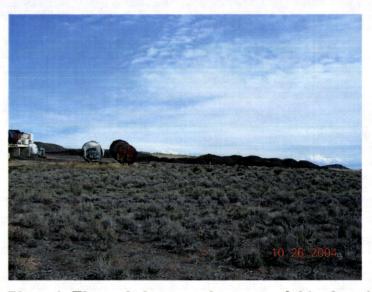
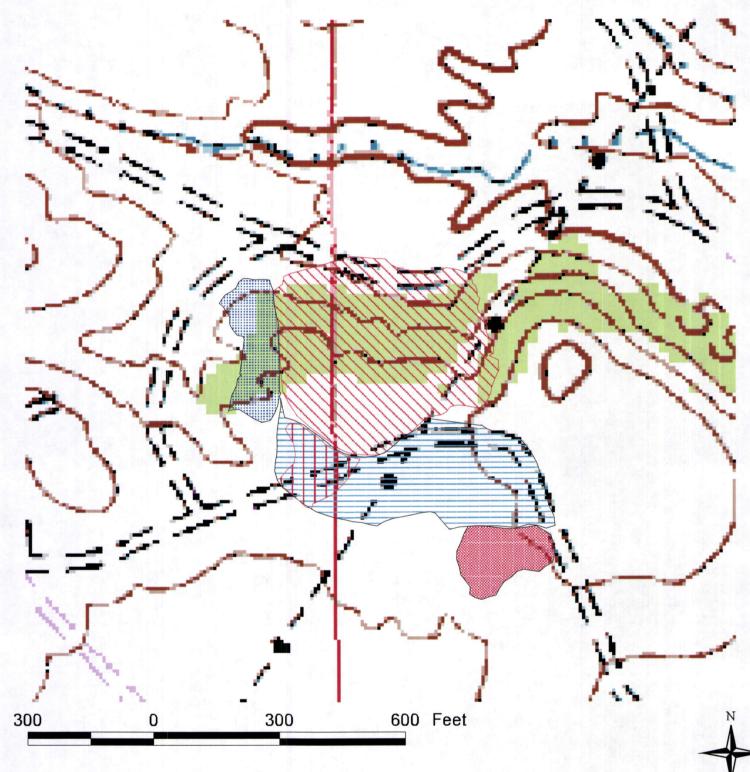


Photo 6. The asphalt across the center of this photo is being recycled.

Werr 'co Mine S/C 17/068



Disturbed Areas

Processing, 2.93 acres

Mixing area, 0.48 acres

Reclaimable area, 0.76 acres

Recycling area, 0.64 acres

WEMBCO Mine, 4.38 acres

Bonded areas outlined in red (4.86 acres)

Map created June 6, 2003, from data gathered by Paul Baker May 22, 2003. Vernal NW Quad, Township 4 South, Range 20 East, Sections 23 and 24, SLBM.

This map may not meet Division standards for accuracy and content. Different data sources and input scales may cause some misalignment of data layers.